

House File 2445 - Introduced

HOUSE FILE 2445

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 662)

A BILL FOR

- 1 An Act providing a sales tax exemption for sales of textbooks
- 2 for limited time periods annually and including effective
- 3 date provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, Code Supplement 2011, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 96. *a.* The sales price of new and used
4 textbooks for use in attending a postsecondary educational
5 institution if the sale takes place during either of the
6 following periods:

7 (1) The period beginning at 12:01 a.m. on the first Friday
8 in August and ending at midnight on the following Saturday.

9 (2) The period beginning at 12:01 a.m. on the first Friday
10 in January and ending at midnight on the following Saturday.

11 *b.* For purposes of this subsection:

12 (1) "*Postsecondary educational institution*" means an
13 accredited higher education institution as defined in section
14 261.92, an Iowa community college, a postsecondary educational
15 institution under the control of the state board of regents, a
16 school of cosmetology arts and sciences licensed under chapter
17 157, or a barber school licensed under chapter 158.

18 (2) "*Textbooks*" means books and other printed materials used
19 in attending a postsecondary educational institution in this
20 state.

21 *c.* Postsecondary educational institutions are required
22 to provide the titles of required and recommended textbooks
23 for all courses and the corresponding authors, publishers,
24 and international standard book numbers for such textbooks on
25 the postsecondary educational institution's internet site for
26 access to all booksellers and all students. The state board
27 of regents shall designate the format by which the textbook
28 information shall be provided.

29 *d.* In order to receive the sales tax exemption, a person is
30 required to show a current official identification card from a
31 postsecondary educational institution and either the purchaser
32 or the bookseller must show that a textbook intended to be
33 purchased is on a list of textbooks provided by a postsecondary
34 educational institution under paragraph "*c*".

35 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of

1 immediate importance, takes effect upon enactment.

2 EXPLANATION

3 This bill provides an annual limited-time sales tax
4 exemption for textbooks used in attending a public or private
5 Iowa postsecondary educational institution, including licensed
6 cosmetology and barber schools. "Textbooks" is defined as
7 books and other printed materials.

8 Postsecondary educational institutions are required to
9 provide the titles of textbooks for all courses and the
10 authors, publishers, and corresponding international standard
11 book numbers for the textbooks on the institution's internet
12 site in order for all booksellers and students to have access
13 to the information. The state board of regents is required to
14 provide the format in which the textbook information must be
15 provided.

16 In order to qualify for the exemption, the textbook sale must
17 take place during either of the periods beginning at 12:01 a.m.
18 on the first Friday in January or August and ending at midnight
19 on the following Saturday, and a person must show a current
20 official identification card from a postsecondary educational
21 institution and either the purchaser or the bookseller must
22 show that the textbook intended to be purchased is on an
23 institution's textbooks list.

24 By operation of Code section 423.6, an item exempt from the
25 imposition of the sales tax is also exempt from the use tax
26 imposed in Code section 423.5.

27 The bill takes effect upon enactment.